

**TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE**



**FISCAL NOTE**

**SB 1541 – HB 1544**

March 16, 2009

**SUMMARY OF BILL:** Authorizes the Tennessee Student Assistance Corporation (TSAC) to award a scholarship or grant to a student who for non-academic reasons was not awarded a scholarship or grant upon initial application if there are extenuating circumstances.

**ESTIMATED FISCAL IMPACT:**

**Other Fiscal Impact – Increases the expenditure of lottery proceeds earmarked for scholarships and grants by \$842,000 in FY09-10 and by \$1,346,000 in FY10-11.**

Assumptions:

- TSAC projects 239 students will qualify for HOPE Scholarships due to extenuating circumstances in FY09-10.
- TSAC projects that 76 percent (182) will attend eligible four-year institutions and that 24 percent (57) will attend eligible two-year institutions.
- Students attending four-year institutions receive awards of \$4,000 per year; students attending two-year institutions receive awards of \$2,000 per year.
- The increase of expenditures from lottery proceeds for FY09-10 is estimated to be \$842,000  $[(182 \times \$4,000) + (57 \times \$2,000) = \$842,000]$ .
- TSAC projects that 55 percent of first-year students (131) will retain the HOPE Scholarship into the second year (FY10-11), with 111 attending four-year institutions and 20 attending two-year institutions.
- TSAC projects 245 new students with extenuating circumstances in FY10-11, with 186 attending four-year institutions and 59 attending two-year institutions.
- The increase of expenditures from lottery proceeds for FY10-11 is estimated to be \$1,346,000  $\{[(111 + 186) \times \$4,000] + [(20 + 59) \times \$2,000] = \$1,346,000\}$ .

**CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" written in a larger, more prominent script than the last name "White".

James W. White, Executive Director

/rnc